

Document No.

NO CHANGE in Class. DECLASSIFIED

Class. CHANGED TO: TS C

DDA Item: 4 App 77

Auth: DDA REC 770466

Date: 04/04/79 By: 029

CONFIDENTIAL

CONTROL

U.S. OFFICIALS ONLY

CONF

CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

COUNTRY Iraq

DATE:

SUBJECT Economic Notes from South Iraq

INFO. 6 September 1946

25X1A6a

DIST. 4 November 1946

ORIGIN
25X1X6

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States. PAGES SUPPLEMENT
Next Review Date: 2003

1. The retreat of the flood waters has relieved the plight of the flood sufferers in the south. Apparently, the trustees of the fund which was subscribed for flood relief considered that they no longer were bound to spend or to account for this money, as there are no signs that anything in the way of relief has been given.
2. The recent wage increase granted by the Iraq Petroleum Company to its Kirkuk employees has made very little stir in the southern area. The Rapasidain Oil Company has followed suit on a country-wide basis, and it is almost certain that other commercial concerns will have to do the same in Basra. Part of the argument against the necessity of such a raise in Basra is that most of the companies there provide housing for the employees, a fact which was one of the causes for the walkout in Kirkuk.
3. The Kirkuk pay raise has had a disastrous effect on prices; not only in that town, but elsewhere, food and housing costs are on the increase. At present sugar on the open market costs \$1.80 per lb. in Basra, and tea costs \$7.00 per kilo. The price of sugar has less effect in that region than in others, because dates are used for sweetening, but the price of tea is disastrous.
4. The American-Iraqi Shipping Company, agent for the Panamanian Shipping Company, is trying to establish agencies in the Gulf area, but is having trouble in so doing, as this territory has long been controlled by the British agents, Gray, Mackenzie & Co., Ltd.
5. The automobile market in Basra is subject to controlled prices which, however, appear to be easily evaded by the system of selling a car to a client at the controlled price, after which the client "loans" it to a friend or a relative at an exorbitant price. As an example, source cited that of a car which was sold at the controlled price of cost plus 25% import duty plus 10% profit, and which was "loaned" on the following day to a friend of the buyer for £2000: the dealer's price on the car was £850.

CONFIDENTIAL

25X1A9a

25X1A9a

ALL CONTROL U.S. OFFICIALS ONLY

CLASSIFICATION						ALL CONTROL U.S. OFFICIALS ONLY		
ADSO <input checked="" type="checkbox"/>	A DEP. <input checked="" type="checkbox"/>	FBT <input checked="" type="checkbox"/>	SPDF <input checked="" type="checkbox"/>	X VTP <input checked="" type="checkbox"/>			OCL	
DADSO <input checked="" type="checkbox"/>	FBK <input checked="" type="checkbox"/>	FBV <input checked="" type="checkbox"/>	SPDS <input checked="" type="checkbox"/>	B EP. <input checked="" type="checkbox"/>			H SW	
EXEC. <input checked="" type="checkbox"/>	FBL <input checked="" type="checkbox"/>	FBX <input checked="" type="checkbox"/>	SPDT <input checked="" type="checkbox"/>	CFRB <input checked="" type="checkbox"/>				
CONTROL <input checked="" type="checkbox"/>	Approved For Release 1999/09/08 : CIA-RDP82-00457R000100260000-0					100260008-8		
PLANS <input checked="" type="checkbox"/>	FEF <input checked="" type="checkbox"/>	SPDA <input checked="" type="checkbox"/>	TRB <input checked="" type="checkbox"/>	X				